

Results for 18 Chinese firms (own-firm changes expected during the next 12 months)

	Sept 2017	Jun 2017	Mar 2017	Dec 2016	Sept 2016
Weighted Averages for	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months
Earnings growth*	-8.7% Median=2.1%	5.0%	4.5%	5.4%	10.9%
Capital spending	11.3%	-10.3% Median = -0.1%	1.4%	6.2%	5.6%
Advertising and marketing spending	1.7%	-1.8%	3.9%	2.0%	3.0%
Technology spending	12.2%	10.8%	8.7%	5.5%	7.0%
R&D spending	2.5%	8.8%	6.2%	5.8%	3.8%
Employment – full-time	1.6%	8.9%	6.7%	7.3%	1.4%
Wages and Salaries	6.6%	9.1%	7.7%	7.6%	3.6%
Inflation (Chg in prices of own-firm products)	3.2%	-1.1%	1.6%	2.5%	-0.4%
Health Care Costs	0.6%	4.8%	1.8%	3.0%	1.8%
Revenue	5.0%	11.9%	6.3%	12.3%	7.2%

* indicates public firms only. All other numbers are for all survey respondents (including private)

Chinese BUSINESS OPTIMISM

	Sept 2017	Jun 2017	Mar 2017	Dec 2016	Sept 2016
	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.
Optimism about the country's economy	More opt: 31.6% Less opt: 23.4% No chg: 36.9%	More opt: 20.0% Less opt: 33.3% No chg: 46.7%	More opt: 24.0% Less opt: 40.0% No chg: 36.0%	More opt: 32.8% Less opt: 32.8% No chg: 34.5%	More opt: 29.2% Less opt: 34.0% No chg: 36.8%
Country optimism level	62.1	69.3	60.6	70.1	69.5
Optimism about own company	More opt: 26.3% Less opt: 31.6% No chg: 42.1%	More opt: 33.3% Less opt: 40.0% No chg: 26.7%	More opt: 28.0% Less opt: 32.0% No chg: 40.0%	More opt: 39.3% Less opt: 31.6% No chg: 29.1%	More opt: 34.0% Less opt: 31.1% No chg: 34.9%
Own company optimism level	62.6	69.6	60.3	72.0	70.1

Top Concerns for Chinese Businesses

- Government policies
- Economic uncertainty
- Attracting and retaining qualified employees
- Currency risk
- Weak demand for products/services
- Data security
- Rising input or commodity costs
- Corporate tax code
- Access to capital
- Cost of benefits